

Before the
FEDERAL COMMUNICATIONS COMMISSION
 Washington, D.C. 20554

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Federal Communications Commission
 Office of Secretary

In the Matter of)

CC Docket No. 92-77

Billed Party Preference)
 for InterLATA 0+ Calls)

**COMMENTS OF TELTRUST COMMUNICATIONS SERVICES, INC.
 TO THE COMMISSIONS REQUEST FOR INFORMATION**

Teltrust Communications Services, Inc. ("Teltrust") submits these comments in response to the Commission's request for further comment on specific questions in the above-captioned OSP Reform Rulemaking Proceeding.

1. Are there any industries in which price disclosure to consumers at the point of purchase is not the normal practice? If so, what are those industries and what are the particular circumstances surrounding the developments of those industries?

Teltrust concedes that price disclosure prior to point of purchase is the norm in most industries. Teltrust submits that price disclosure prior to point of sale is the best method to ensure fairness to consumers. There are, however, industries where price disclosure prior to point of purchase is not practical due to certain unique market factors or other extraordinary conditions. For example, it is not standard practice in the Health Care industry to disclose pricing prior to the "point of purchase". Patients seeking care are rarely, if ever, informed of pricing prior to the need for treatment. More often, a patient receives treatment and is subsequently billed for services performed, and for other items such as testing, supplies, pharmaceuticals. Most would concede that, in the health care marketplace, disclosing prices prior to the rendering of services would be difficult, if not impossible, due to the numerous variables that can affect pricing.

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Teltrust submits that the pay telephone marketplace also presents a set of unique circumstances that make real-time price disclosure prior to call completion very, very difficult to implement.

2. What kinds of technologies (including payphone equipment and associated software) are currently available to provide on-demand call rating information for calls from payphones, other aggregator locations, and phones in correctional institutions that are provided for use by inmates? Commenters should discuss the anticipated declining cost of these technologies, assuming a wide-spread demand for these services.

For sent-paid calls, on-demand call rating information is available through the coin control mechanism in pay telephones and/or central offices and through software that informs live operators of the price of a call. The switch and associated software Teltrust utilizes to provide live and automated operator services to payphone operators is not currently capable of providing real-time audible rate disclosure prior to call completion. Teltrust's switch vendor has stated that implementation of real-time audible rate disclosure would require a major software upgrade. This upgrade would result in significant cost to Teltrust and other carriers. Subsequent software upgrades would carry additional charges. Teltrust does not believe the cost to implement real-time price disclosure prior to call completion will diminish over time. For Teltrust, implementation of such a system will require large initial outlays to its switch vendor.

3. Are there any telecommunications markets outside of the U.S. that already make use of price disclosure prior to call completion, for example, in the U.K.? If so, please provide the technological and financial details behind the implementation of these services and any indication as to the cost and benefits from the perspective consumers.

Teltrust is unaware of any telecommunication market outside the U.S. that already makes use of price disclosure prior to call completion, particularly in the manner proposed by the Commission. However, in several European markets (e.g. France and Germany), the monopoly telecommunications providers have widely deployed pay telephones that only accept a prepaid calling card or smart card for billing purposes. Inherent in a prepaid calling card or smart card and the switching facilities that support such cards is the ability to disclose to consumers the

number or minutes, units, Franks, Deutch Marks or other billing increments remaining on the card. Certainly, this is not a model that could be replicated in the United States, nor should it be.

4. Some commenters have claimed that price disclosure prior to call completion would create an unacceptable delay to consumers. Are there any studies that substantiate or dispute this contention and are those studies available? Are there any studies available that provide indications of consumer satisfaction or dissatisfaction with 0+ services provided in this fashion?

A study would require implementation of real-time, audible price disclosure prior to call completion. As mentioned above, Teltrust's switch and associated software cannot perform this function. Teltrust has not, therefore, attempted to gauge consumer response to automated rate disclosure. To the best of our knowledge, most other carrier's switches are currently unable to perform this function. Therefore, Teltrust would be very surprised if any such study had been conducted by other carriers or industry trade associations. Teltrust submits that such a study would confirm that consumers would find such real-time, audible price disclosures both time consuming and bothersome.

5. If some or all of embedded base equipment and software are incapable of providing audible notice to consumers for on-demand call rating, what time period would be reasonable for substituting equipment and software that is capable of doing so?

Development and implementation of new systems are functions of switch manufacturer(s). Product development timelines are dependent upon engineers knowledge, experience and schedules. Through experience Teltrust has learned implementation of new products or upgrades to switch software can take years to develop. New products and upgrades must also be thoroughly test prior to implementation thus delaying the process as well.

6. What percentage of interstate 0+ calls do calls from correctional institutions constitute, both in quantity and dollar volume, over the last 5 years?

Teltrust has no useful data on this question.

7. What effects, if any, will the recent Report and Order in *In the Matter of Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of*

1996, Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, CC Docket Nos. 96-128, 91-31, FCC 96-388 (released September 20, 1996) have on this proceeding?

Teltrust believes that the clear effect of the Commission's Report and Order in *In the Matter of Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation*, CC Docket Nos. 96-128, 91-31, FCC 96-388 (released September 20, 1996), will be to significantly increase the per-phone revenue Payphone Service Providers ("PSPs") realize in the form of compensation for all forms of dial-around calling and subscriber 800 calls. As a result, Teltrust believes there will be far less pressure on PSPs to increase rates on interstate 0+/0- calls in order to compensate for revenue currently being lost due to dial-around. PSP must now attempt to attract a much more sophisticated calling consumer; a consumer with numerous calling methods at his or her disposal. In this very competitive market, PSPs simply cannot continue to gouge consumers on interstate 0+/0- calls and expect to retain their business in the future.

Respectfully Submitted,

TELTRUST COMMUNICATIONS SERVICES, INC


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